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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/06/06

Index:

- 1) Top headlines
- 2) Editorials

Prime Minister's weekend schedule: None

Opinion poll:

- 3) Affected by Livedoor scandal, BSE issue, Koizumi Cabinet support rate plummets 14 points to 45% in Nikkei poll
- 4) Nikkei poll shows rising public support for Yasuo Fukuda as Koizumi successor, though Shinzo Abe retains lead
- 5) Japan to invite Iran's foreign minister in attempt to persuade Iran to cooperate on nuclear program issue
- 6) Second day of Japan-North Korea talks focused on abduction issue for nine hours to no avail
- 7) Japan-South Korea talks on FTA may be put off

Foreign Minister Aso speaks:

- 8) Foreign Minister Aso's latest remark riles China again
- 9) Former foreign minister Machimura chides Aso for remark on Emperor visiting Yasukuni Shrine
- 10) Government considering sending PKO mission to Congo Republic to observe presidential election

Defense issues:

- 11) Nago mayor refuses to discuss Camp Schwab coastal relocation plan for Futenma base with government
- 12) JDA chief Nukaga says current DFAA bid-rigging scandal means JDA did not learn lesson from problems eight years ago

Beef issue:

- 13) Ban on US beef imports could remain for a long time
- 14) Agriculture Minister Nakagawa on Fuji TV indicates distrust of US anti-BSE inspection system
- 15) Nakagawa on NHK TV says Japan may have to inspect US beef on its own
- 16) Consumer groups told by senior Agriculture Ministry officials last November that prior inspection of US beef would be done
- 17) Sparks to fly between ruling and opposition camps in Diet today over BSE, Livedoor scandal and other hot issues as budget hearings start

Articles:

1) TOP HEADLINES

Asahi:

DFAA-linked public corporation subcontracted research works ordered by defense agency to private firms

Mainichi:

Livedoor window-dresses books by entering profits from sale of own shares

Yomiuri:

TOKYO 00000622 002 OF 012

Senior DFAA officials endorse lists of potential bidders for projects ordered by agency

Nihon Keizai:

Cellular phone service providers expect to boost capital investment by 20% to more than 1.6 trillion yen

Sankei & Tokyo Shimbun:

Japan-North Korea talks end with no agreement, underscoring difference in views on abduction issue

2) EDITORIALS

Asahi:

- (1) Widening gap in society: Let's think of it in the context of reform
- (2) GM crisis: Technical cooperation should also be taken into consideration

Mainichi:

- (1) Medical services for the elderly: Reform of health facilities for repercussion is trend of the times
- (2) Review of US Defense Department: Dialogue between Japan, US, China indispensable

Yomiuri:

- (1) DFAA should be integrated into a "defense ministry"
- (2) Allegations of Iran nuclear development programs: Strengthen international encircling net!

Nihon Keizai:

- (1) Iran should take UN resolution against it seriously
- (2) Questions raised over proposed establishment of third-party organ for confirmation of building construction

Sankei:

- (1) Strengthen function to check if securities transactions are fair!
- (2) Day of Northern Territories: Establish international encircling net against Russia

Tokyo Shimbun:

(1) Iran should follow international opinion on issue of its nuclear ambitions

(2) Average temperatures: Listen to weather forecast

3) OPINION

Poll: Cabinet support nosedives to 45%, nonsupport up to 43%

NIHON KEIZAI (Page 1) (Abridged)
February 6, 2006

In a public opinion survey conducted by the Nihon Keizai Shimbun on Feb. 2-5, the Koizumi cabinet's support rate decreased 14 percentage points from the last survey in December last year to 45%. The disapproval rating rose 9 points to 43%. As seen from these figures, the Koizumi cabinet sustained a substantial drop in public support. This seems to have reflected a recent string of issues and scandals, such as Livedoor Co.'s stock trading scam, Japan's re-imposition of its once-lifted ban on US beef, a certified architect's falsification of earthquake resistance data

TOKYO 00000622 003 OF 012

for hotels and many other buildings, and the Defense Facilities Administration Agency's bid-rigging.

The approval rating for the Koizumi cabinet is now the lowest since July last year when the political situation was in turmoil over a package of postal privatization bills. It was on an upward trend after Koizumi's dissolution of the House of Representatives in August last year. In the latest survey, however, it plummeted. The margin between approval and disapproval has narrowed down to 2 points from 25 points in the last survey. The support rate is now almost back to the level before last year's lower house election.

Among those in support of the ruling Liberal Democratic Party, 79% supported the Koizumi cabinet. However, the figure is down 9 points from the last survey. Among those having no party to support or the so-called unaffiliated voter, the support rate for the Koizumi cabinet plummeted from 40% to 17%.

The survey was taken by Nikkei Research Inc. over the telephone on a random digit dialing (RDD) basis. For the survey, samples were chosen from among males and females, aged 20 and over, across the nation. A total of 1,533 households with one or more voters were sampled, and answers were obtained from 925 persons (60.3%).

4) Poll: LDP faces public backlash

NIHON KEIZAI (Page 2) (Abridged)
February 6, 2006

48% blame LDP for jumping on Horiemon's bandwagon in election campaign

The ruling Liberal Democratic Party's leadership faced critical voices from within the party itself after the arrest of former Livedoor Co. President Takafumi Horie, known as Horiemon for short, on suspicion of violating the Securities Exchange Law. In a public opinion survey this time, respondents were asked if they thought the LDP was to blame for its backing of Horie in last year's House of Representatives election. In response to this question, "yes" accounted for 48%, with "no" at 40%.

Post-Koizumi race: Abe slightly down to 38%, Fukuda doubles to 13%

In the latest survey, respondents were also asked who they thought would be appropriate as Prime Minister Junichiro Koizumi's successor. In this popularity polling, Chief Cabinet Secretary Shinzo Abe marked 38%, topping all others. However,

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Abe's popularity dropped 5 percentage points from the last

survey. Former Chief Cabinet Secretary Yasuo Fukuda came in next, standing at 13%. Fukuda almost doubled his score from the last survey. Meanwhile, Japan and China have been unable to find a clue to repairing their soured relations. Fukuda is regarded as a pro-China politician, so he seems to be becoming an object of public attention.

In the two previous polls, Abe was at 41% and 43%. In the latest survey as well, Abe was found evenly popular among male and female respondents, irrespective of age and job brackets. Fukuda has risen in popularity among males and those in their 40-60s.

TOKYO 00000622 004 OF 012

5) Iran's nuclear development issue: Japan to invite foreign minister to try to dissuade Iran from uranium enrichment program

YOMIURI (Page 2) (Full)
February 5, 2006

Following the adoption of the referral of Iran's nuclear issue to the United Nations Security Council at the emergency board meeting of the International Atomic Energy Agency (IAEA), the government on Feb. 4 decided to invite Iranian Foreign Minister Mottaki to come to Japan, possibly in late February, in order to directly urge him to respond to an international call for an early suspension of its uranium enrichment-related activities.

Iran is the supplier of 15% of Japan's crude oil imports. Japan is also developing Iran's Azadegan oil field, one of the largest reserves in the world. It has judged that if Iran becomes further isolated in the international community and sanctions are imposed on that country, Japan might suffer another oil crisis, as a government source revealed.

Having served as ambassador to Japan, Mottaki is considered to be pro-Japanese, so the government is now making final coordination with Teheran aiming at holding a bilateral meeting of foreign ministers. Foreign Minister Aso during the envisaged foreign ministerial meeting intends to work on Mottaki to respond to a call for another round of nuclear-issue talks with Britain, France and Germany and cooperate with the IAEA on inspections. He is also expected to convey that if Iran continues uranium enrichment activities, sanctions will be imposed on it, which will further isolate that country. Aso held a telephone dialogue with Mottaki on Jan. 18. During the conversation, he called for the suspension of its uranium enrichment activities, but his efforts were not successful.

6) Japan, DPRK fail to reach agreement on abduction issue; Negotiations likely to occur again on Feb. 8 or later

ASAHI (Page 1) (Full)
February 6, 2006

By Nanae Kurashige in Beijing

In the second day of talks yesterday at a hotel in Beijing, Japan and North Korea discussed the abduction issue. The Japanese negotiators called for: 1) the return of all Japanese abductees now living in North Korea; 2) a full account of the abductions; and 3) the handover of former North Korean agent and suspected abductor Sin Guang Su. The North Korean negotiators argued against Japan's DNA analysis indicating that the ashes of Megumi Yokota provided by North Korea have been found to be someone else's. The negotiations failed to achieve any results. Both teams, though, agreed on the need to negotiate the abduction issue again while they are in Beijing, so they have decided to set a new schedule for talks.

Joining the talks were Kunio Umeda, deputy director-general of the Foreign Ministry's Asian and Oceanian Affairs Bureau, and other officials from Japan and Kim Chol Ho, deputy chief of the North Korean Foreign Ministry's Asian Bureau and other officials from North Korea. The talks lasted for nearly nine hours starting

at 9:30 a.m. (10:30 a.m., Japan time) and closing around 9:00 p.m. (10:00 p.m., Japan time) with intermissions.

In the negotiations, Deputy Director-General Umeda re-emphasized Japan's position that diplomatic relations would not be normalized until the abduction issue is resolved, telling his North Korean counterpart Kim: "Resolving the abduction issue is extremely important to normalizing diplomatic ties."

On the other hand, Kim said after the talks: "There is still a wide gap in views and positions on resolving the abduction issue." "We explained our position about the DNA analysis of Megumi Yokota's ashes," he continued, revealing he had argued against Japan's assertion.

In the talks, Japan called on North Korea to return 11 abductees, including Megumi Yokota and Keiko Arimoto, as quickly as possible and provide a full account of why and how abductions were carried out.

Japan demanded the handover of Sin and suspect Kimihiro Uomoto, a hijacker of the JAL Yodo-go airplane. There is the testimony that Sin was behind the abductions of Yasushi Chimura and his wife Fukie and Megumi Yokota. Kim is also suspected of having been involved in the abduction of Hiroshi Kume, and Suspect Uomoto is suspected of having taking part in the abduction of Arimoto.

Japan also called for the handover of three suspects who hijacked the Yodo-go: Takahiro Konichi, Moriaki Wakabayashi and Shiro Akagi. In addition to them, Japan seems to have called on North Korea to hand over suspect Sakiko Wakabayashi (maiden name Kuroda), wife of Wakabayashi, and suspect Junko Mori, wife of the late senior Yodo-go hijacker group member Takamaro Tamiya, thinking they might have known about how and why Toru Ishioka and Kaoru Matsuki went missing in Europe in 1980.

Referring to these requests from Japan after the talks, Kim said, "We also have criminals to be handed over from Japan." But he stopped short of naming them.

Japan demanded North Korea provide information about whereabouts of 40 or so missing Japanese who are not on the government's list of abductees but are strongly suspected of having been abducted.

Today, the Japanese and North Korea governments will hold talks on diplomatic normalization, and tomorrow, they will discuss the security issue. The abduction issue is likely to be negotiated again on Feb. 8 or later.

7) Will Japan, ROK delay the concluding of FTA with start of US-ROK FTA talks? Japan likely to be forced to review its FTA strategy centering on Asia

YOMIURI (Page 9) (Excerpts)
February 6, 2006

The United States and South Korea have decided to set in motion talks on the concluding of a free trade agreement (FTA). This move is certain to force Japan and South Korea to further delay the concluding of their FTA, negotiations on which have been suspended since November 2004. The aim of the US in launching FTA talks with a country in Northeast Asia is apparently to maintain

TOKYO 00000622 006 OF 012

its influence in the region, as well as to check China. Japan could end up being isolated, given its chilly relations with China and South Korea.

Japan and South Korea began FTA talks in December 2003, but they failed to reach a general agreement at the end of 2005 as they initially aimed at in part because of a wide gap in views over the issue of opening the agriculture market and also because of the strained relationship on the political front in the wake of

such events as Prime Minister Koizumi's visits to Yasukuni Shrine. Now that the US and South Korea are moving to launch FTA talks, there is a growing prospect that "South Korea will place emphasis on talks with the US; as a result, Japan-ROK talks seem increasingly unable to make progress," a negotiating source said.

If the US-South Korea FTA went into effect before Japan concludes the talks on FTA with South Korea, that nation could have an advantage over Japan, for instance, in the motor truck sector, where the US levies a 25-percent high tariff. South Korea's major exported goods include automobiles, home electric appliances and electronic components like Japan's. So, there is the concern that Japan's goods would be affected.

On the other hand, however, there is a deep-seated view that "the impact would be limited," according to a member of the Japan Business Federation (Nippon Keidanren), basis of the view stemming from the observation that the opening of markets, for instance, for agriculture and services as called for by the US., would not make progress so easily.

With South Korea going ahead in America's trade strategy, Japan is likely to face a strong call at home to review its FTA strategy that has so far focused on Asia.

8) Foreign Minister Aso's latest remark riles China

MAINICHI (Page 3) (Full)
February 6, 2006

Mayumi Otani, Beijing

Foreign Minister Taro Aso delivered a speech in Fukuoka on Feb. 4, in which he ascribed Taiwan's high educational level to compulsory education implemented by Japan during its colonization of the island. Following Aso's comment, Chinese Foreign Ministry spokesman Kong Quan released a statement yesterday saying, "We were surprised and outraged at the Japanese foreign minister's statement openly prettifying the country's military aggression in the past."

Touching on Japan's colonial rule of Taiwan, Aso said in his speech, "Our predecessors did the proper thing." Aso also indicated that thanks to compulsory education implemented by Japan during the colonization to improve literacy, Taiwan is now a country with a very high education level.

9) Machimura criticizes Aso's Yasukuni statement

MAINICHI (Page 3) (Full)
February 6, 2006

Former Foreign Minister Nobutaka Machimura criticized yesterday

TOKYO 00000622 007 OF 012

Foreign Minister Taro Aso's statement calling for a visit to Yasukuni Shrine by the Emperor, saying, "I honestly don't think it is appropriate to bring up the relationship with the Emperor." Machimura made the comment on a Fuji-TV talk show yesterday.

10) Government considering sending election monitoring team to Congo

MAINICHI (Page 1) (Full)
February 6, 2006

The government began yesterday considering sending an election monitoring team to the Republic of Congo (formerly Zaire), which will have presidential and parliamentary elections in April, based on the UN Peacekeeping Activities Cooperation Law. The step is part of Japan's effort to strengthen its policy toward Africa with a view to winning a permanent seat on the UN Security Council.

The team, composed of about ten experts from the Foreign Ministry, Cabinet Office, and private sector, will make the

rounds of polling stations to keep a close watch on irregularities. Although Japan contributed 7.5 million dollars in election assistance through the UN Development Program (UNDP) last year, the government has acknowledged the need to make human contributions as well. Conflict in Congo between 1997 and 2002 following the collapse of the dictatorial government under President Mobutu claimed millions of lives. A peace agreement was concluded in 2002. Congo will have its first democratic elections in April.

11) Nago mayor refuses to discuss Camp Schwab plan with government

MAINICHI (Page 2) (Full)
February 5, 2006

Nago Mayor Tateo Kishimoto released a comment on Feb. 4 saying that he would not discuss with the government a plan to relocate US Marine Corps Futenma Air Station from Ginowa, Okinawa Prefecture, to the coast of Camp Schwab in Nago in the prefecture. The comment followed the government's negative reaction to Nago's call for major changes to the coastal plan in a meeting held on the morning of Feb. 4 for the government to brief the city on flight routes of the coastal plan.

Mayor Kishimoto is scheduled to step down from the post on Feb. 17. His successor, Yoshikazu Shimabukuro, 59, an opponent of the coastal plan, is expected to continue with Kishimoto's policy.

12) Lesson not utilized by JDA: Nukaga

SANKEI (Page 4) (Full)
February 6, 2006

Following are main points from Defense Agency Director General Fukushima Nukaga's remarks on the Defense Facilities Administration Agency's bid-rigging scandal during his appearance on Fuji TV's talk show, Hodo 2001, aired yesterday:

-- Why do you think the Defense Agency has been involved in such a scandal again?

TOKYO 00000622 008 OF 012

Nukaga: Eight years ago, officials of the Central Procurement Office (CPA) (a now-defunct external body of the Defense Agency) were found to have been involved in a misappropriation case. At the time, we broke up the CPA. (TN: Nukaga was a first-time defense chief when the CPA scandal was brought to light in 1998. He was eventually driven to resign his cabinet portfolio to take responsibility.) The Defense Agency reformed its organization in order to make that case a lesson. However, the lesson has not been utilized. We should also dismantle the Defense Facilities Administration Agency, as well, to establish checking functions and make a fresh start. It's outrageous that public service personnel serve the convenience of industrial circles in an aim to protect their jobs or move into private businesses after retirement.

-- In some cases, the estimated price for a DFAA-ordered construction project was the same as the contract price.

Nukaga: The principle of market mechanisms didn't work. I can't but conclude that the estimated price had been leaked or contractors otherwise had held talks before bidding and they had manipulated unfair bidding.

-- To prevent such irregularities, there is now an antigrift law enacted for the prevention of collusive bidding.

Nukaga: The Ministry of Land, Infrastructure, and Transport has its own self-imposed rule, under which its bureaucrats are not to get a job for five years after retirement. I will take action while keeping this in mind. I'd like to speed up our study of a new organization, including the option of breaking up the DFAA, before we submit our budget estimate for fiscal 2007.

13) Mounting criticism of US beef inspection system following USDA report could prolong Japan's ban on imports

YOMIURI (Page 9) (Full)
February 4, 2006

An internal inspection report on BSE prevention measures released by the US Department of Agriculture on Feb. 2 revealed sloppiness in the United States' meat inspection system, resulting in a rising chorus of criticism in the Japanese government. The likelihood has grown that the ban on imports of US beef could become prolonged.

According to the report, nine of the 12 meat-processing plants inspected had no records of specified risk materials having been removed from beef. The Japanese government is trying to confirm if any of the nine plants processed beef for shipment to Japan. A senior Agriculture Ministry official indicated, "We have no choice but to handle this even more cautiously."

Agriculture Minister Nakagawa on Feb. 3 during concentrated deliberations on US beef at a meeting of the House of Councilors Agriculture and Fisheries Committee stated that he had informed the US: "Pressure for an early resumption of could be counterproductive among Japanese consumers. There is an old saying about haste makes waste which I think should be the common perception of both Japan and the United States."

TOKYO 00000622 009 OF 012

A senior Foreign Ministry official took this view: "The US, too, seems to have shifted to a policy stance of first thoroughly carrying out an investigation of the cause (of the import violation)."

Although the Japanese government has decided that the question of whether to end the ban on beef imports would depend on the US report that will include the cause and steps to improve procedures, the US has not clearly stated when the report would be presented. "Rather than focusing on the timing, we are waiting for clear-cut contents in the report," Nakagawa added.

14) Agriculture Minister expresses distrust in US safety procedures, saying: "Japan's safety criteria have not been observed."

ASAHI (Page 2) (Full)
February 6, 2006

On a Fuji TV program yesterday, Agriculture, Forestry and Fisheries Minister Nakagawa referred to an inspection report announced by the Office of Inspector General of the US Department of Agriculture pointing out the sloppiness of the cattle-processing procedures being taken in US facilities and expressed a strong sense of distrust. He said: "If the actual situation is as noted in the report, we will have to reach the judgment that the credibility of its procedures to remove specified risk materials is low."

The agriculture minister added that if US facilities have taken sloppy procedures, "it means that (Japan's) safety criteria have not been observed." He indicated that Japan would not resume US beef imports until the US takes measures to improve the situation.

15) Agriculture Minister Nakagawa indicates possibility of Japan's independent inspections as condition for resumption of US beef imports

TOKYO SHIMBUN (Page 2) (Full)
February 6, 2006

Appearing on three TV programs yesterday, Agriculture, Forestry and Fisheries Minister Shoichi Nakagawa indicated the possibility of the Japanese government making its own inspection of

authorized meat-processing facilities (in the US) as a condition for resuming US beef imports. Nakagawa said: "Japan may have to take its own procedures, including inspection of US facilities."

Speaking to reporters after appearing on the TV discussion programs, Nakagawa said in reference to the outlook that the US government would soon present Japan with a report on the issue of a specified risk material found in a US beef shipment bound for Japan: "I have said to US Agriculture Secretary Mike Johanns that hasty action should be avoided."

Asked about the inspection report compiled by inspectors in the US Agriculture Department that noted, "We cannot definitely say that (meat-processing facilities) have perfectly observed Japan's safety criteria," Nakagawa replied, "The Japanese government will use the report as a major factor (to decide on whether to resume US beef imports)."

TOKYO 00000622 010 OF 012

16) US beef; Senior MOFA official last November pledged prior inspection to consumer organizations

TOKYO SHIMBUN (Page 3 (Full))
February 4, 2006

Over the issue of resuming US beef imports, the Cabinet Office's Food Safety Commission held an open meeting in mid-November last year, inviting members of consumer organizations. In this connection, it was learned on Feb. 3 that a senior official of the Ministry of Agriculture, Forestry and Fisheries (MAF) during the meeting categorically said that the ministry would conduct US on-site inspections before resuming imports for a last-minute check to ensure import conditions, including the removal of specified risk materials (SRM), are observed. The opposition camp pursued the government in Diet sessions that it had adopted at a cabinet meeting a written reply that mentioned the need to conduct a prior inspection, and yet it failed to do so. The revelation this time also confirmed that the government broke the pledge with consumers, as well.

The statement in question was made during an opinion exchange meeting held in Sapporo on Nov. 14. The purpose of the meeting was to hear views of consumers on the panel's recommendation report, which noted that difference in the potential danger of BSE contamination between US beef and domestic products would become much smaller if US beef is imported under Japan-set conditions, such as that SRM should be removed.

According to the panel's minutes of the meeting, a number of participants expressed concern over whether the import conditions would be observed without fail. In response, a MAFF councilor explained: "We will send officials to the US in order to do once again a last-minute check of the US export program. We will check whether the program is being carried out as pledged."

Responding to an interview by a Kyodo News Agency reporter, this councilor explained: "I never mentioned the words prior or ex post facto. I did not have such an intention, either. The operation of the program can only be checked after it has gotten under way, cannot it?" However, a representative of a certain consumer organization who asked a question during the meeting pointed out: "I understood that by last-minute check, that official meant that the Japanese side will conduct a solid check of US facilities before imports are resumed, and in this way, dubious products would not be shipped to Japan."

Although the government stated its intention to conduct a prior inspection, whose major aim was to ensure that import conditions set by Japan were observed, it failed to do so, further fueling a backlash the Democratic Party of Japan (Minshuto) and other opposition parties.

17) Diet to start deliberations on FY2006 budget, with fierce battle expected between ruling, opposition camps over set of four issues -- plus alpha

The Diet will start deliberations today on the fiscal 2006 budget

TOKYO 00000622 011 OF 012

at the House of Representatives' Budget Committee. This newspaper probes the points at issue in upcoming Diet debate, while looking back on deliberations on the fiscal 2005 extra budget.

Livedoor scandal

Opposition parties pursued Prime Minister Junichiro Koizumi's "moral responsibility" for having supported former Livedoor Corp. President Takafumi Horie (who has been arrested on suspicion of violating the securities law) in last year's Lower House general election. Koizumi at first spurned the opposition's charges, but he later reluctantly admitted that he bore a certain level of responsibility, noting, "I am willing to take responsibility if it is said I must do so."

The opposition intends to pursue the government's financial policy that allowed Livedoor to engage in opaque transactions.

US beef import issue

It was learned on Jan. 30 at a Lower House Budget Committee session that the government, ignoring a cabinet decision, decided to resume US beef imports prior to sending inspectors to the US. Because of inconsistent answers by Agriculture, Forestry and Fisheries Minister Shoichi Nakagawa, the session was interrupted many times. As a result, the Japanese government was criticized for ignoring its responsibility.

The opposition, now feeling like it is riding high, made the government recognize its responsibility (for failing to implement the cabinet decision) even though Koizumi said, "The responsibility lies with the United States."

Earthquake-resistance data falsification scam

In the session, the focus was on the relationship between a secretary to Chief Cabinet Secretary Shinzo Abe and Huser Co.

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President Susumu Ojima. Although Abe denied the allegation that his secretary introduced Ojima to the Ministry of Land, Infrastructure and Transport, his image of being the most promising candidate to succeed Koizumi was damaged as the opposition intended.

The opposition bloc is expected to pursue suspicions that Abe's secretary and Kosuke Ito, a Liberal Democratic Party member and

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former National Land Agency director general acted as intermediaries.

Bid-rigging involving DFAA

At the final stage of the debate on the FY 2005 budget, the bid-rigging scandal involving Defense Facilities Administration Agency (DFAA) was added to a set of three issues -- the Livedoor scandal, the US beef import issue, and the quake-proof data falsification scam -- making a set of four issues.

Defense Agency Director General Fukushima Nukaga announced that his agency would dismantle the DFAA. He is desperate to put a cap on the rumor that he would resign to take the responsibility for the scandal. The opposition, however, is waiting to grill him on the scandal, with Minshuto (Democratic Party of Japan) President Seiji Maehara saying, "The bid-rigging scandal is indication that

TOKYO 00000622 012 OF 012

the Koizumi government has preserved the structure of stealing the nation's tax money."

Social gap growing

Prime Minister Koizumi's reform initiative has raised a chorus of complaints not only from the opposition but also from the ruling camp. Takenori Kanzaki, who heads the New Komeito, the LDP's coalition partner, commented: "The distortion of income disparity has spread across the country."

Koizumi, however, strongly reacted, arguing:

"I don't think it is bad that income gaps are created. I would like to create a society, which will provide people with another chance for losers to become winners."

With the ending of the prime minister's tenure in September in mind, the Diet has fastened on the issue of income and social disparities as a significant theme in summing up the Koizumi reform drive. The indications are that this issue will lead to a national debate, surpassing the Diet debate.

SCHIEFFER